



PSC NEWS

Missouri Public Service Commission

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SCHEDULED SUMMER NATURAL GAS FILING APPROVED FOR AQUILA, INC. d/b/a AQUILA NETWORKS---- MISSOURI PUBLIC SERVICE

Jefferson City (April 17, 2002)---**Southern system** natural gas customers of Aquila, Inc. d/b/a Aquila Networks-Missouri Public Service (MPS) will see lower natural gas rates under a scheduled summer season filing approved by the Missouri Public Service Commission. This decrease, which primarily reflects estimated changes in the cost of natural gas for the upcoming summer season, takes effect April 18, 2002. The summer season includes the months of April through October.

A residential customer currently pays \$0.65449 per Ccf (100 cubic feet of gas). Under this filing, the rate will drop to \$0.62609 per Ccf, a decrease of approximately 2.8 cents per Ccf. **The effect of the proposed rate on a typical residential heating customer's natural gas bills for the summer season is a decrease of \$8.85 or 3 percent when compared to the rates currently in effect.**

Approximately 60% to 70% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. The wholesale cost of natural gas (the cost your local natural gas company must pay to its supplier for natural gas) is not regulated by the Missouri Public Service Commission. The wellhead cost of natural gas is unregulated and is primarily driven by supply and demand. The Missouri Public Service Commission does have regulatory review authority to ensure that regulated gas companies make prudent decisions in securing natural gas supplies for their customers.

Aquila, Inc. d/b/a Aquila Networks-MPS serves approximately 29,500 natural gas customers in its Southern System which includes the Missouri counties of Pettis, Platte, Cooper, Ray, Henry, Saline, Johnson, Vernon and Lafayette.